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E.O. 12958: N/A  
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SUBJECT: DEMARCHE REQUEST: CHINESE LAUNCH OF VENEZUELAN SATELLITE

¶11. (U) This is an action message, please see paragraph 6 below.

¶12. (SBU) Venezuela is planning to operate a satellite that may create significant interference problems for two U.S.-licensed satellite operators, SES Americom and Intelsat.

The satellite, known both as Venesat-1 and Simon Bolivar, was built by China under contract from Venezuela. Department understands that China is planning to launch the satellite around November 1, 2008.

¶13. (SBU) Under an arrangement with Venezuela, Uruguay has agreed to let the Venesat-1/Simon Bolivar satellite occupy a geostationary orbital slot for which Uruguay is the "Notifying Administration" at the International Telecommunication Union (ITU). The ITU administers treaty procedures for nations to use to prevent unacceptable interference between their respective satellite systems. As the Notifying Administration, Uruguay is legally responsible for both the paperwork and the proper operation of the Venesat-1/Simon Bolivar satellite. Venezuela did not have a suitable filing/orbital slot of its own to use and has made the arrangement noted above with Uruguay.

¶14. (U) The ITU procedures require that countries planning to begin communications satellite operations & coordinate in advance with other countries whose operations are already established and formally recorded in the Master Register of the ITU. Therefore, Uruguay, on behalf of itself and Venezuela, must resolve all interference concerns with the U.S.-licensed operators before Venesat-1/Simon Bolivar can receive international recognition for its operations to begin.

¶15. (SBU) The necessary coordination work has been going on for some time; however, Venezuela recently informed the U.S.-licensed operators of a modification that Venezuela asked China to make on the satellite to allow a "C-band" beam to extend beyond the northern areas of South America to include Cuba. Introducing this modification creates a technical interference likelihood for the U.S.-licensed satellite operators. The U.S.-licensed operators and USG were only informed of the modification this summer after the satellite was assembled and being readied for its scheduled November 1 launch. The likely most effective remedy for the problem would be to delay the satellite launch so that the late modification can be reversed. But the expense and delay involved may make this an unattractive option for Venezuela and China, and Venezuela appears interested in resolving the problem after launch. Waiting until after launch will preclude reversal of the offending modification and require alternative measures that may weaken the satellite's overall utility. We are not, however, requesting the Chinese stop the launch.

¶16. (SBU) Post is requested to inform relevant authorities in the Chinese government of our concerns and may draw as

appropriate on the following points.

-The United States understands that China is making final preparations for the launch of a Chinese-manufactured satellite, Venesat-1/Simon Bolivar, on behalf of the governments of Venezuela and Uruguay.

-As you may be aware, there are two U.S.-licensed companies that have satellites near the orbital location planned for Venesat-1/Simon Bolivar. Those satellites have been in operation for years, and their orbital locations and frequency assignments are fully recorded in the Master Register of the International Telecommunication Union (ITU), conferring full international recognition and protection for their operation. These satellites, and their internationally recognized orbital location and frequency assignments, face a threat of unacceptable levels of electrical interference from Venesat-1/Simon Bolivar because of recent changes made to the antenna characteristics of that satellite.

-The ITU's Radio Regulations, a treaty to which the governments of China, Venezuela, Uruguay, and the United States are signatories, requires that the interference issues be resolved between the ITU & Notifying Administrations<sup>8</sup> (Uruguay and the United States in this instance) before the orbital location and frequency assignments of the Venesat-1/Simon Bolivar are recorded by the ITU in the Master Register and the satellite can begin operation.

-The United States is actively engaged with Venezuela and Uruguay to find a technical solution to the interference problem. We note that some possible solutions may require physical modification to the Venesat-1/Simon Bolivar satellite, which cannot be done after launch. While other solutions are possible, they may require significant constraints on the future operation of the satellite which might be avoided with a physical modification made before launch.

-The United States is concerned that, absent a technical solution prior to launch, the satellite will either cause unacceptable interference to U.S.-licensed networks already recognized in the ITU Master Register, or that the operations of the Venesat-1/Simon Bolivar will have to be so handicapped that its utility will be significantly diminished for its users. Obviously neither your government nor China Great Wall Industry Corporation would want to have facilitated such adverse outcomes.

-We are speaking directly with the governments of Venezuela and Uruguay to try to reach a conclusion acceptable to all. We urge that you similarly engage with the Venezuelans with the goal of encouraging them to get to acceptable conclusion.

¶7. (U) Washington appreciates Post's assistance in delivering these points.

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